## REPORT OF SHIPMENT (REPSHIP) (FEB 2006)

- (a) Definition. Domestic destination, as used in this clause, means--
  - (1) A destination within the contiguous United States; or
  - (2) If shipment originates in Alaska or Hawaii, a destination in Alaska or Hawaii, respectively.
- (b) Unless otherwise directed by the Contracting Officer, the Contractor shall--
  - (1) Send a prepaid notice of shipment to the consignee transportation officer--
    - (i) For all shipments of--
      - (A) Classified material, protected sensitive, and protected controlled material;
      - (B) Explosives and poisons, class 1, division 1.1, 1.2 and 1.3; class 2, division 2.3 and class 6, division 6.1;
      - (C) Radioactive materials requiring the use of a III bar label; or
    - (ii) When a truckload/carload shipment of supplies weighing 20,000 pounds or more, or a shipment of less weight that occupies the full visible capacity of a railway car or motor vehicle, is given to any carrier (common, contract, or private) for transportation to a domestic destination (other than a port for export);
  - (2) Transmits the notice by rapid means to be received by the consignee transportation officer at least 24 hours before the arrival of the shipment; and
  - (3) Send, to the receiving transportation officer, the bill of lading or letter or other document containing the following information and prominently identified as a "Report of Shipment" or "REPSHIP FOR T.O."

REPSHIP FOR T.O. 81 JUN 01

TRANSPORTATION OFFICER

DEFENSE DEPOT, MEMPHIS, TN.

SHIPPED YOUR DEPOT 1981 JUN 1 540 CTNS MENS COTTON TROUSERS, 30,240 LB, 1782 CUBE, VIA XX-YY\*

IN CAR NO. XX 123456\*\*-BL\*\*\*-C98000031\*\*\*\*CONTRACT DLA------

| ETA****-JUNE 5                                | JONES & CO., JERSEY CITY, N.J.   |  |  |  |
|---|--|--|--|--|
| *Name of rail carrier                         | r, trucker, or other carrier.  |  |  |  |
| **Vehicle identifica                          | tion.  |  |  |  |
| ***Bill of lading.                            |  |  |  |  |
| ****If not shipped b                          | by BL, identify lading document and state whether paid by contractor.  |  |  |  |
| *****Estimated time                           | e of arrival.  |  |  |  |
|   | Commercial Bill of Lading Notations (Feb 2006)   |  |  |  |
| and the Contractor w<br>Contractor shall ensu | ng Officer authorizes supplies to be shipped on a commercial bill of lading will be reimbursed these transportation costs as direct allowable costs, the are before shipment is made that the commercial shipping documents are rof the following notations, as appropriate:                               |  |  |  |
| (a) If the Governmen                          | nt is shown as the consignor or the consignee, the annotation shall be:  |  |  |  |
| transp  | sportation is for the [name the specific agency] and the actual total portation charges paid to the carrier(s) by the consignor or consignee are nable to, and shall be reimbursed by, the Government.   |  |  |  |
| (b) If the Government                         | nt is not shown as the consignor or the consignee, the annotation shall be:  |  |  |  |
| transp<br>reimb                               | sportation is for the [name the specific agency] and the actual total portation charges paid to the carrier(s) by the consignor or consignee shall be bursed by the Government, pursuant to cost-reimbursement contract No This may be confirmed by contacting   |  |  |  |
| [Nam  | te and address of the contract administration office listed in the contract].  |  |  |  |
| F.o.b. Origin (Feb 2006)                      |  |  |  |  |
| (a) The term "f.o.b. odelivered               | origin," as used in this clause, means free of expense to the Government   |  |  |  |
| Gove<br>which                                 | n board the indicated type of conveyance of the carrier (or of the rnment, if specified) at a designated point in the city, county, and State from a the shipment will be made and from which line-haul transportation service stinguished from switching, local drayage, or other terminal service) will; |  |  |  |

- (2) To, and placed on, the carrier's wharf (at shipside, within reach of the ship's loading tackle, when the shipping point is within a port area having water transportation service) or the carrier's freight station;
- (3) To a U.S. Postal Service facility; or
- (4) If stated in the solicitation, to any Government designated point located within the same city or commercial zone as the f.o.b. origin point specified in the contract (the Federal Motor Carrier Safety Administration prescribes commercial zones at Subpart B of 49 CFR part 372).
- (b) The Contractor shall --

(1)

- (i) Pack and mark the shipment to comply with contract specifications; or
- (ii) In the absence of specifications, prepare the shipment in conformance with carrier requirements to protect the goods and to ensure assessment of the lowest applicable transportation charge;

(2)

- (i) Order specified carrier equipment when requested by the Government; or
- (ii) If not specified, order appropriate carrier equipment not in excess of capacity to accommodate shipment;
- (3) Deliver the shipment in good order and condition to the carrier, and load, stow, trim, block, and/or brace carload or truckload shipment (when loaded by the Contractor) on or in the carrier's conveyance as required by carrier rules and regulations;
- (4) Be responsible for any loss of and/or damage to the goods --
  - (i) Occurring before delivery to the carrier;
  - (ii) Resulting from improper packing and marking; or
  - (iii) Resulting from improper loading, stowing, trimming, blocking, and/or bracing of the shipment, if loaded by the Contractor on or in the carrier's conveyance;

- (5) Complete the Government bill of lading supplied by the ordering agency or, when a Government bill of lading is not supplied, prepare a commercial bill of lading or other transportation receipt. The bill of lading shall show --
  - (i) A description of the shipment in terms of the governing freight classification or tariff (or Government rate tender) under which lowest freight rates are applicable;
  - (ii) The seals affixed to the conveyance with their serial numbers or other identification;
  - (iii) Lengths and capacities of cars or trucks ordered and furnished;
  - (iv) Other pertinent information required to effect prompt delivery to the consignee, including name, delivery address, postal address and ZIP code of consignee, routing, etc.;
  - (v) Special instructions or annotations requested by the ordering agency for commercial bills of lading; *e.g.*, "This shipment is the property of, and the freight charges paid to the carrier(s) will be reimbursed by, the Government"; and
  - (vi) The signature of the carrier's agent and the date the shipment is received by the carrier; and
- (6) Distribute the copies of the bill of lading, or other transportation receipts, as directed by the ordering agency.
- (c) These Contractor responsibilities are specified for performance at the plant or plants at which the supplies are to be finally inspected and accepted, unless the facilities for shipment by carrier's equipment are not available at the Contractor's plant, in which case the responsibilities shall be performed f.o.b. the point or points in the same or nearest city where the specified carrier's facilities are available; subject, however, to the following qualifications:
  - (1) If the Contractor's shipping plant is located in the State of Alaska or Hawaii, the Contractor shall deliver the supplies listed for shipment outside Alaska or Hawaii to the port of loading in Alaska or Hawaii, respectively, as specified in the contract, at Contractor's expense, and to that extent the contract shall be "f.o.b. destination."
  - (2) Notwithstanding subparagraph (c)(1) of this clause, if the Contractor's shipping plant is located in the State of Hawaii, and the contract requires delivery to be made by container service, the Contractor shall deliver the supplies, at the Contractor's expense, to the container yard in the same or nearest city where seavan container service is available.

## F.o.b. Origin, with Differentials (Feb 2006)

- (a) The term "f.o.b. origin, with differentials," as used in this clause, means --
  - (1) Free of expense to the Government delivered --
    - (i) On board the indicated type of conveyance of the carrier (or of the Government, if specified) at a designated point in the city, county, and State from which the shipments will be made and from which line-haul transportation service (as distinguished from switching, local drayage, or other terminal service) will begin;
    - (ii) To, and placed on, the carrier's wharf (at shipside, within reach of the ship's loading tackle, when the shipping point is within a port area having water transportation service) or the carrier's freight station;
    - (iii) To a U.S. Postal Service facility; or
    - (iv) If stated in the solicitation, to any Government-designated point located within the same city or commercial zone as the f.o.b. origin point specified in the contract (the Federal Motor Carrier Safety Administration prescribes commercial zones at Subpart B of 49 CFR part 372); and
  - (2) Differentials for mode of transportation, type of vehicle, or place of delivery as indicated in Contractor's offer may be added to the contract price.
- (b) The Contractor shall --

(1)

- (i) Pack and mark the shipment to comply with contract specification; or
- (ii) In the absence of specifications, prepare the shipment in conformance with carrier requirements to protect the goods and to ensure assessment of the lowest applicable transportation charge;

(2)

- (i) Order specified carrier equipment when requested by the Government; or
- (ii) If not specified, order appropriate carrier equipment not in excess of capacity to accommodate shipment;
- (3) Deliver the shipment in good order and condition to the carrier, and load, stow, trim, block, and/or brace carload or truckload shipment (when loaded by the

Contractor) on or in the carrier's conveyance as required by carrier rules and regulations;

- (4) Be responsible for any loss of and/or damage to the goods --
  - (i) Occurring before delivery to the carrier;
  - (ii) Resulting from improper packing and marking; or
  - (iii) Resulting from improper loading, stowing, trimming, blocking, and/or bracing of the shipment, if loaded by the Contractor on or in the carrier's conveyance;
- (5) Complete the Government bill of lading supplied by the ordering agency or, when a Government bill of lading is not supplied, prepare a commercial bill of lading or other transportation receipt. The bill of lading shall show --
  - (i) A description of the shipment in terms of the governing freight classification or tariff (or Government rate tender) under which lowest freight rates are applicable;
  - (ii) The seals affixed to the conveyance with their serial numbers or other identification;
  - (iii) Lengths and capacities of cars or trucks ordered and furnished;
  - (iv) Other pertinent information required to effect prompt delivery to the consignee, including name, delivery address, postal address and ZIP code of consignee, routing, etc.;
  - (v) Special instructions or annotations requested by the ordering agency for commercial bills of lading; *e.g.*, "This shipment is the property of, and the freight charges paid to the carrier(s) will be reimbursed by, the Government"; and
  - (vi) The signature of the carrier's agent and the date the shipment is received by the carrier; and
- (6) Distribute the copies of the bill of lading, or other transportation receipts, as directed by the ordering agency.

(c)

(1) It may be advantageous to the offeror to submit f.o.b. origin prices that include only the lowest cost to the Contractor for loading of shipment at the Contractor's plant or most favorable shipping point. The cost beyond that plant or point of

bringing the supplies to the place of delivery and the cost of loading, blocking, and bracing on the type vehicle specified by the Government at the time of shipment may exceed the offeror's lowest cost when the offeror ships for the offeror's account. Accordingly, the offeror may indicate differentials that may be added to the offered price. These differentials shall be expressed as a rate in cents for each 100 pounds (CWT) of the supplies for one or more of the options under this clause that the Government may specify at the time of shipment.

- (2) These differential(s) will be considered in the evaluation of offers to determine the lowest overall cost to the Government. If, at the time of shipment, the Government specifies a mode of transportation, type of vehicle, or place of delivery for which the offeror has set forth a differential, the Contractor shall include the total of such differential costs (the applicable differential multiplied by the actual weight) as a separate reimbursable item on the Contractor's invoice for the supplies.
- (3) The Government shall have the option of performing or arranging at its own expense any transportation from Contractor's shipping plant or point to carrier's facility at the time of shipment and, whenever this option is exercised, the Government shall make no reimbursement based on a quoted differential.
- (4) Offeror's differentials in cents for each 100 pounds for optional mode of transportation, types of vehicle, transportation within a mode, or place of delivery, specified by the Government at the time of shipment and not included in the f.o.b. origin price indicated in the Schedule by the offeror, are as follows:

| <br>(carload, truckload, less-load, |
|-------------------------------------|
| wharf, flatcar, driveaway, etc.)    |

#### F.o.b. Destination (Nov 1991)

- (a) The term "f.o.b. destination," as used in this clause, means --
  - (1) Free of expense to the Government, on board the carrier's conveyance, at a specified delivery point where the consignee's facility (plant, warehouse, store, lot, or other location to which shipment can be made) is located; and
  - (2) Supplies shall be delivered to the destination consignee's wharf (if destination is a port city and supplies are for export), warehouse unloading platform, or receiving dock, at the expense of the Contractor. The Government shall not be liable for any delivery, storage, demurrage, accessorial, or other charges involved before the actual delivery (or "constructive placement" as defined in carrier tariffs) of the supplies to the destination, unless such charges are caused by an act or order of the Government acting in its contractual capacity. If rail carrier is

used, supplies shall be delivered to the specified unloading platform of the consignee. If motor carrier (including "piggyback") is used, supplies shall be delivered to truck tailgate at the unloading platform of the consignee, except when the supplies delivered meet the requirements of Item 568 of the National Motor Freight Classification for "heavy or bulky freight." When supplies meeting the requirements of the referenced Item 568 are delivered, unloading (including movement to the tailgate) shall be performed by the consignee, with assistance from the truck driver, if requested. If the contractor uses rail carrier or freight forwarded for less than carload shipments, the contractor shall ensure that the carrier will furnish tailgate delivery, when required, if transfer to truck is required to complete delivery to consignee.

(b) The Contractor shall --

(1)

- (i) Pack and mark the shipment to comply with contract specifications; or
- (ii) In the absence of specifications, prepare the shipment in conformance with carrier requirements;
- (2) Prepare and distribute commercial bills of lading;
- (3) Deliver the shipment in good order and condition to the point of delivery specified in the contract;
- (4) Be responsible for any loss of and/or damage to the goods occurring before receipt of the shipment by the consignee at the delivery point specified in the contract;
- (5) Furnish a delivery schedule and designate the mode of delivering carrier; and
- (6) Pay and bear all charges to the specified point of delivery.

#### No Evaluation of Transportation Costs (Apr 1984)

Costs of transporting supplies to be delivered under this contract will not be an evaluation factor for award.

# **Evaluation of Export Offers (Jan 2001)**

(a) *Port handling and ocean charges -- other than DoD water terminals*. Port handling and ocean charges in tariffs on file with the Bureau of Domestic Regulation, Federal Maritime Commission, or other appropriate regulatory authorities as of the date of bid opening (or the closing date specified for receipt of offers) and which will be effective for the date of the expected initial shipment will be used in the evaluation of offers.

- (b) *F.o.b.* origin, transportation under Government bill of lading.
  - (1) Offers shall be evaluated and awards made on the basis of the lowest laid down cost to the Government at the overseas port of discharge, via methods and ports compatible with required delivery dates and conditions affecting transportation known at the time of evaluation. Included in this evaluation, in addition to the f.o.b. origin price of the item, shall be the inland transportation costs from the point of origin in the United States to the port of loading, port handling charges at the port of loading, and ocean shipping costs from the United States port of loading (see paragraph (d) of this clause) to the overseas port of discharge. The Government may designate the mode of routing of shipment and may load from other than those ports specified for evaluation purposes.
  - (2) Offers shall be evaluated on the basis of shipment through one of the ports set forth in paragraph (d) of this clause to the overseas port of discharge. Evaluation shall be made on the basis of shipment through the port that will result in the lowest cost to the Government.
  - (3) Ports of loading shall be considered as destinations within the meaning of the term "f.o.b. destination" as that term is used in the F.o.b. Origin clause of this contract.
- (c) F.o.b. port of loading with inspection and acceptance at origin --
  - (1) Offers shall be evaluated on the basis of the lowest laid down cost to the Government at the overseas port of discharge via methods compatible with required delivery dates and conditions affecting transportation known at the time of evaluation. Included in this evaluation, in addition to the price to the United States port of loading (see paragraph (c)(2) of this clause), shall be the port handling charges at the port of loading and the ocean shipping cost from the port of loading (see paragraph (d) of this clause) to the overseas port of discharge.
  - (2) Unless offers are applicable only to f.o.b. origin delivery under Government bills of lading (see paragraph (b) above), offerors shall designate below at least one of the ports of loading listed in paragraph (d) of this clause as their place of delivery. Failure to designate at least one of the ports as the point to which delivery will be made by the Contractor may render the offer nonresponsive.

| Place of Delivery:                                     | $\_$ [Offerors insert at |
|--|--------------------------|
| least one of the ports listed in paragraph (d) of this | clause.]                 |

(d) Ports of loading for evaluation of offers. Terminals to be used by the Government in evaluating offers are as follows: (For the information of the offerors, ocean and port handling charges are set forth if the terminal named is a DoD water terminal.)

| Ports/Terminals of Loading | Combined Ocean and Port | Unit of measure: <i>i.e.</i> , metric |
|----------------------------|-------------------------|---------------------------------------|
|----------------------------|-------------------------|---------------------------------------|

| Handling Charges to (Indicate Country) | ton, measurement ton, cubic foot, etc |
|--|---------------------------------------|
|  |                                       |
|  |                                       |
|  |                                       |

- (e) Ports of loading nominated by offeror. The ports of loading named in paragraph (d) of this clause are considered by the Government to be appropriate for this solicitation due to their compatibility with methods and facilities required to handle the cargo and types of vessels and to meet the required overseas delivery dates. Notwithstanding the foregoing, offerors may nominate additional ports of loading that the offeror considers to be more favorable to the Government. The Government may disregard such nominated ports if, after considering the quantity and nature of the supplies concerned, the requisite cargo handling capability, the available sailings on U.S.-flag vessels, and other pertinent transportation factors, it determines that use of the nominated ports is not compatible with the required overseas delivery date. United States Great Lakes ports of loading may be considered in the evaluation of offer only for those items scheduled in this provision for delivery during the ice-free or navigable period as proclaimed by the authorities of the St. Lawrence Seaway (normal period is between April 15 and November 30 annually). All ports named, including those nominated by offerors and determined to be eligible as provided in this provision, shall be considered in evaluating all offers received in order to establish the lowest laid down cost to the Government at the overseas port of discharge. All determinations shall be based on availability of ocean services by U.S.-flag vessels only. Additional U.S. port(s) of loading nominated by offeror, if any:
- (f) Price basis. Offeror shall indicate whether prices are based on --
  - \* Paragraph (b), f.o.b. origin, transportation by GBL to port listed in paragraph (d);
  - \* Paragraph (c), f.o.b. destination (i.e., a port listed in paragraph (d));
  - \* Paragraph (e), f.o.b. origin, transportation by GBL to port nominated in paragraph (e); and/or

Alternate I (Feb 2006). When the CONUS ports of export are DoD water terminals, delete paragraph (a) from the basic provision and substitute for it the following paragraph (a):

(a) Port handling and ocean charges -- DoD water terminals. The port handling and ocean charges are set forth in paragraph (d) of this provision for the information of offerors and are current as of the time of issuance of the solicitation. For evaluation of offers, the Government will use the port handling and ocean charges made available by the Directorate of International Traffic, Military Surface Deployment and Distribution Command (SDDC) rate information letters, on file as of the date of bid opening (or the closing date specified for receipt of offers) and which will be effective for the date of the expected initial shipment.

Alternate II (Apr 1984). When offers are solicited on an f.o.b. origin only basis, delete paragraphs (c) and (f) from the basic provision, but do not redesignate the ensuing paragraphs. Add the following basic paragraph (g) to the provision:

(g) Paragraphs (c) and (f) have been deleted but ensuing paragraphs have not been redesignated.

Alternate III (Apr 1984). When offers are solicited on an f.o.b. destination only basis, delete paragraph (b) from the basic provision but do not redesignate the ensuing paragraphs. Delete subparagraph (c)(2) and paragraph (f) from the provision and substitute the following subparagraph (c)(2) and paragraph (f). Add paragraph (g) below.

(c)

(2) Offerors shall designate below at least one of the ports of loading listed in paragraph (d) below as their place of delivery. Failure to designate at least one of the ports as the point to which delivery will be made by the Contractor may render the offer nonresponsive.

Place of Delivery: \_\_\_\_\_\_ [Offerors insert at least one of the ports listed in paragraph (d) below.]

\* \* \* \* \*

- (f) Price basis. Offerors shall indicate whether prices are based on --
  - \* Paragraph (c), f.o.b. destination (i.e., a port listed in paragraph (d)); or
  - \* Paragraph (e), f.o.b. destination (i.e., a port nominated in paragraph (e)).
- (g) Paragraph (b)has been deleted, but ensuing paragraphs have not been redesignated.
  - \* Paragraph (e), f.o.b. destination (i.e., a port nominated in paragraph (e)).

# Clearance and Documentation Requirements -- Shipments to DoD Air or Water Terminal Transshipment Points (Feb 2006)

All shipments to water or air ports for transshipment to overseas destinations are subject to the following requirements unless clearance and documentation requirements have been expressly delegated to the Contractor:

- (a) At least 10 days before shipping cargo to a water port, the Contractor shall obtain an Export Release from the Government transportation office for --
  - (1) Each shipment weighing 10,000 pounds or more; and
  - (2) Each shipment weighing less than 10,000 pounds; if the cargo either --

- (i) Is classified Top Secret, Secret, or Confidential;
- (ii) Will require exclusive use of a motor vehicle;
- (iii) Will occupy full visible capacity of a railway car or motor vehicle;
- (iv) Is less than a carload or truckload, but will be tendered as a carload or truckload; or
- (v) Is to be shipped to an ammunition outloading port for water shipment; or
- (3) Each shipment weighing less than 10,000 pounds if the cargo consists of --
  - (i) Narcotics;
  - (ii) Perishable biological material;
  - (iii) Vehicles to be offered for driveaway service;
  - (iv) Explosives, ammunition, poisons or other dangerous articles classified as class 1, division 1.1, 1.2, 1.3, 1.4; class 2, division 2.3; and class 6, division 6.1; or
  - (v) Radioactive material, as defined in 49 CFR 173.403, class 7.
- (b) The Contractor is cautioned not to order railway cars or motor vehicles for loading until an Export Release has been received.
- (c) If the Contracting Officer directs delivery within a shorter period than 10 days, the Contractor shall advise the transportation office of the date on which the cargo will be ready for shipment.
- (d) At least 5 days before shipping cargo to either a water port or an airport (regardless of the weight, security classification, or the commodity description), the Contractor shall provide the Government transportation office the information shown in paragraph (e) below to permit preparation of a Transportation Control and Movement Document (TCMD).
- (e) When applying for the Export Release in paragraph (a) above or when providing information for preparation of the TCMD in accordance with paragraph (d) above, the Contractor shall furnish the --
  - (1) Proposed date or dates of shipment;
  - (2) Number and type of containers;
  - (3) Gross weight and cube of the shipment;
  - (4) Number of cars or trucks that will be involved;

- (5) Transportation Control Number(s)(TCN) as required for marking under MIL-STD-129 or Federal Standard 123; and
- (6) Proper shipping name as specified in 46 CFR 146.05 for all items classified as dangerous substances as required for marking under MIL-STD-129.
- (f) All movement documents (Government or commercial bills of lading or other delivery documents) shall be annotated by the Contractor with the --
  - (1) Transportation Control Number, Consignor Code of activity directing the shipment; i.e., cognizant contract administration office, purchasing office when contract administration has been retained, or a Contractor specifically delegated transportation responsibilities under DoD 4500.9-R, Defense Transportation Regulation, responsibilities in the contract, whichever is appropriate, Consignee Code, and Transportation Priority for each shipment unit;
  - (2) Export Release Number and valid shipping period, if stated (if expired, the Contractor shall request a renewal); and
  - (3) Cubic foot measurement of each shipment unit.
- (g) All annotations on the movement documents shall be made in the "Description of Articles" space except, on Government bills of lading the Export Release number and shipping period shall be entered in the space entitled "Route Order/Release No."
- (h) The Contractor shall --
  - (1) Mail a copy of the bill of lading or other movement document to the transshipment point; and
  - (2) Give a copy of the bill of lading or other movement document to the carrier for presentation to the transshipment point with delivery of the shipment.

# Loading, Blocking, and Bracing of Freight Car Shipments (Apr 1984)

- (a) Upon receipt of shipping instructions, as provided in this contract, the supplies to be included in any carload shipment by rail shall be loaded, blocked, and braced by the Contractor in accordance with the standards published by the Association of American Railroads and effective at the time of shipment.
- (b) Shipments, for which the Association of American Railroads has published no such standards, shall be loaded, blocked, and braced in accordance with standards established by the shipper as evidenced by written acceptance of an authorized representative of the carrier.
- (c) The Contractor shall be liable for payment of any damage to any supplies caused by the failure to load, block, and brace in accordance with acceptable standards set forth herein.

(d) A copy of the appropriate pamphlet of the Association of American Railroads may be obtained from that Association.

## F.o.b. Origin -- Carload and Truckload Shipments (Apr 1984)

- (a) The Contractor agrees that shipment shall be made in carload or truckload lots when the quantity to be delivered to any one destination in any delivery period pursuant to the contract schedule of deliveries is sufficient to constitute a carload or truckload shipment, except as may otherwise be permitted or directed, in writing, by the Contracting Officer.
- (b) For evaluation purposes, the agreed weight of a carload or truckload shall be the highest applicable minimum weight that will result in the lowest freight rate (or per car charge) on file or published in common carrier tariffs or tenders as of the date of bid opening (or the closing date specified for receipt of proposals).
- (c) For purposes of actual delivery, the agreed weight of a carload or truckload will be the highest applicable minimum weight that will result in the lowest possible freight rate (or per car charge) on file or published as of date of shipment.
- (d) If the total weight of any scheduled quantity to a destination is less than the highest carload/truckload minimum weight used for evaluation of offers, the Contractor agrees to ship such scheduled quantity in one shipment.
- (e) The Contractor shall be liable to the Government for any increased costs to the Government resulting from failure to comply with the above requirements.

# F.o.b. Origin -- Minimum Size of Shipments (Apr 1984)

The Contractor agrees that shipment will be made in carload and truckload lots when the quantity to be delivered to any one destination in any delivery period pursuant to the contract schedule of deliveries is sufficient to constitute a carload or truckload shipment, except as may otherwise be permitted or directed in writing by the Contracting Officer. The agreed weight of a carload or truckload will be the highest applicable minimum weight which will result in the lowest freight rate (or per car charge) on file or published in common carrier tariffs or tenders as of date of shipment. In the event the total weight of any scheduled quantity to a destination is less than the highest carload/truckload minimum weight, the Contractor agrees to ship such scheduled quantity in one shipment. The Contractor shall be liable to the Government for any increased costs to the Government resulting from failure to comply with the above requirements. This liability shall not attach if supplies are outsized or of such nature that they cannot be loaded at the highest minimum weight bracket.

F.o.b. Origin, Prepaid Freight -- Small Package Shipments (Jan 1991)

- (a) When authorized by the Contracting Officer, f.o.b. origin freight shipments which do not have a security classification shall move on prepaid commercial bills of lading or other shipping documents to domestic destinations, including air and water terminals. Weight of individual shipments shall be governed by carrier restrictions but shall not exceed 150 pounds by any form of commercial air or 1,000 pounds by other commercial carriers. The Government will reimburse the Contractor for reasonable freight charges.
- (b) The Contractor shall annotate the commercial bill of lading as required by the clause of this contract entitled "Commercial Bill of Lading Notations."
- (c) The Contractor shall consolidate prepaid shipments in accordance with procedures established by the cognizant transportation office. The Contractor is authorized to combine Government prepaid shipments with the Contractor's commercial shipments for delivery to one or more consignees and the Government will reimburse its pro rata share of the total freight costs. The Contractor shall provide a copy of the commercial bill of lading promptly to each consignee. Quantities shall not be divided into mailable lots for the purpose of avoiding movement by other modes of transportation.
- (d) Transportation charges will be billed as a separate item on the invoice for each shipment made. A copy of the pertinent bill of lading, shipment receipt, or freight bill shall accompany the invoice unless otherwise specified in the contract.
- (e) Loss and damage claims will be processed by the Government.

## F.o.b. Origin, Contractor's Facility (Feb 2006)

- (a) The term "f.o.b. origin, contractor's facility," as used in this clause, means free of expense to the Government delivered on board the indicated type of conveyance of the carrier (or of the Government, if specified) at the designated facility, on the named street or highway, in the city, county, and State from which the shipment will be made.
- (b) The Contractor shall --

(1)

- (i) Pack and mark the shipment to comply with contract specifications; or
- (ii) In the absence of specifications, prepare the shipment in conformance with carrier requirements to protect the goods and to ensure assessment of the lowest applicable transportation charge;

(2)

(i) Order specified carrier equipment when requested by the Government; or

- (ii) If not specified, order appropriate carrier equipment not in excess of capacity to accommodate shipment;
- (3) Deliver the shipment in good order and condition to the carrier, and load, stow, trim, block, and/or brace carload or truckload shipment (when loaded by the Contractor) on or in the carrier's conveyance as required by carrier rules and regulations;
- (4) Be responsible for any loss of and/or damage to the goods --
  - (i) Occurring before delivery to the carrier;
  - (ii) Resulting from improper packing and marking; or
  - (iii) Resulting from improper loading, stowing, trimming, blocking, and/or bracing of the shipment, if loaded by the Contractor on or in the carrier's conveyance;
- (5) Complete the Government bill of lading supplied by the ordering agency or, when a Government bill of lading is not supplied, prepare a commercial bill of lading or other transportation receipt. The bill of lading shall show --
  - (i) A description of the shipment in terms of the governing freight classification or tariff (or Government rate tender) under which lowest freight rates are applicable;
  - (ii) The seals affixed to the conveyance with their serial numbers or other identification;
  - (iii) Lengths and capacities of cars or trucks ordered and furnished;
  - (iv) Other pertinent information required to effect prompt delivery to the consignee, including name, delivery address, postal address and ZIP code of consignee, routing, etc.;
  - (v) Special instructions or annotations requested by the ordering agency for bills of lading; *e.g.*, "This shipment is the property of, and the freight charges paid to the carrier(s) will be reimbursed by, the Government"; and
  - (vi) The signature of the carrier's agent and the date the shipment is received by the carrier; and
- (6) Distribute the copies of the bill of lading, or other transportation receipts, as directed by the ordering agency.

## **Instruction: Temporary Storage of FMS Munitions Items**

The contracting officer may authorize the contractor to ship in place, store in a bonded storage area, and upon submission of proper invoice or <u>DD Form 250</u>, Material Inspection and Receiving Report, receive payment for units shipped when the clear text shipping address and transportation instructions are not available at the time that deliveries are accepted by the U.S. Government on behalf of the FMS customer. The requirement for "Evidence of Shipment" shall be postponed until after receipt of the clear text shipping instructions. The contractor shall store and safeguard the units in bonded storage at no change in contract price while waiting for shipping instructions.

## **Contact DCMA Transportation**

Contact DCMA Transportation on ALL "DCMA Administered" contracts prior to shipment for shipping instructions using the DCMA Shipment Instruction Request (SIR) eTool System, at http://www.dcma.mil/> for ALL FOB: Origin, Foreign Military Sales (FMS), and FOB: Destination OCONUS/Export movements to obtain the appropriate DOD regulatory clearances, shipping documentation and instructions from your cognizant DCMA Transportation Office. If you are new to DCMA, and do not already have a SIR eTool account, you will first need to request an account via DCMA External Web Access Management (EWAM) application which can be accessed at http://www.dcma.mil. If you need additional assistance, email DCMA Transportation Group at: Transportation.Division@dcma.mil. Do not move any freight to a water or aerial port prior to contacting DCMA or it will become frustrated. Failure to contact the

responsible DCMA may result in vendor incurring additional expenditures.